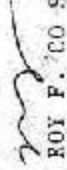


BAC

CONTRACT FOR THE SUPPLY AND DELIVERY OF MEDICAL LIQUID OXYGEN


MICHAEL ROY P. CO SENG
Sales Manager
INGASCO, INC.

KNOW ALL MEN BY THESE PRESENTS:

This Agreement made and entered into by and between:

DR. JOSE FABELLA MEMORIAL HOSPITAL, an agency of the government, with permanent address at corner Lope de Vega and Felix Huertas Streets, Sta. Cruz, Manila, duly established under and by virtue of Philippine Laws, herein represented by its Medical Center Chief II, **Dr. RUBEN C. FLORES**, hereinafter referred to as the "HOSPITAL";

-and-

INGASCO, INC., a corporation duly organized and existing under and by virtue of Philippine Laws, with business address at 23rd Floor, One Corporate Center, Julia Vargas Ave., cor. Meralco Avenue, Ortigas Center, Pasig City, represented by its President, **RAYMOND M. CHU**, hereinafter referred to as "INGASCO";


WITNESSETH:

WHEREAS, it is the thrust of the **HOSPITAL** to provide an improved health care delivery to its patients;

WHEREAS, as a result of the public bidding conducted on 7 April 2015 in accordance with the relevant provisions of Republic Act 9184 and its Implementing Rules and Regulations, the Contract for the Supply and Delivery of Medical Liquid Oxygen was awarded to **INGASCO** through a Notice of Award dated 11 May 2015;

NOW THEREFORE, for and in consideration of the foregoing premises and conditions hereinafter set forth, the parties hereby agree as follows:

1. That **INGASCO** shall supply the **HOSPITAL** with 200,000 cubic meters Liquid Oxygen (estimated quantity) at P17.75 / cubic meter unit cost with minimum purity of not less than 99.5 percent;
2. That **INGASCO** shall provide the hospital with a Medical Liquid Oxygen storage container (Vacuum Insulated Evaporator) Union Carbide TM1500 (capacity: 1500 Gallons) with serial number C1202; Ambient Air Vaporizer (Flow rate: 100 cubic meter per hour) without serial number; Supply Control Manifold and its accessories free of charge.
3. That the above equipment shall remain the sole and exclusive property of **INGASCO** and shall not be refilled by other suppliers. The **HOSPITAL** shall return the same upon termination of this contract;
4. That **INGASCO** shall provide and undertake free of charge for the installation of Medical Liquid Oxygen Equipment and facilities in conformity


MERCILITA D. FORTIER
Accountant III
Dr. Jose Fabella Memorial Hospital.


RUBEN C. FLORES, M.D., M.H.A.
Medical Center Chief II
Dr. Jose Fabella Memorial Hospital

with the HOSPITAL'S design and specifications: a) Construction of foundation and enclosure; and b) Freight (inland) of LOX container.

5. That **INGASCO** shall deliver Medical Liquid Oxygen to the **HOSPITAL** every **Tuesday and Friday between 12:00 midnight to 2:00am or depending on the end-user's requirement/need;**

6. That in the exigency of the service, the **HOSPITAL** may require **INGASCO** to deliver, upon request, additional necessitated bulk of Medical Liquid Oxygen;

7. That the **HOSPITAL** shall allow **INGASCO'S** delivery crew to have an access on the former's premises for twenty-four (24) hours provided that said crew(s) are wearing their company IDs and they are limited to their area of responsibility;

8. That no employee of **INGASCO** shall be allowed to live/stay or roam around in the **HOSPITAL** premises beyond their working time except on emergency cases. Accordingly, strict compliance with Hospital Rules and Regulations is required;

9. That the **HOSPITAL** shall provide a vertical clearance at least 15 feet from the ground along the access road, which is concrete, to withstand 30 tons total load or 20 tons per axle load. The road should be at least eight (8) meters wide and forty-five (45) turning radius on corners;

10. That **INGASCO** shall provide free technical training on the operation of oxygen facilities to duly authorized personnel of the **HOSPITAL**;

11. That **INGASCO** is duty bound to inform immediately the **HOSPITAL** in case the former failed to deliver the required Medical Liquid Oxygen to the latter due to its workers' strike, breakdown of plant and transport equipment or any other form of stoppage of work that may affect the delivery of Medical Liquid Oxygen;

12. That neither party shall be liable to the other for failure to supply or accept delivery of gases if such failure is due to Acts of God/ fortuitous events/ force majeure;

13. That in case **INGASCO** failed to deliver the required Medical Liquid Oxygen needed by the **HOSPITAL** for reasons not mentioned in this Contract the former shall be liable to the one-tenth (1/10) of one percent (1%) of the total value of the Contract or if the Contract has been partially fulfilled within the stipulated time, the total value of undelivered purchase thereof in a year;

14. That in the event **INGASCO** cannot supply bulk Medical Liquid Oxygen due to plant periodic maintenance, **INGASCO** shall supply the **HOSPITAL** with Medical Liquid Oxygen in Cylinder Tank to 1800-psi, 5.66 cu. m. at the contract price of P17.70/ cubic meter;

15. That the cylinder tank allocation shall be mutually agreed upon delivery. The **HOSPITAL** agrees to take care of **INGASCO'S** cylinder tank while in their possession.

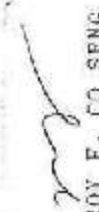
16. That the **HOSPITAL** shall allow **INGASCO** upon written notification within five (5) working days to upgrade, downgrade, pull out or remove the Cryogenic

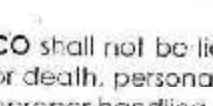
MICHAEL ROY F. CO SENG
Sales Manager
INGASCO, INC


RAYMOND L CHU
President
INGASCO, INC

MERCILITA D. FORTIER
Accountant II
Dr. Jose Fabella Memorial Hospital

RUBEN C. FLORES, M.D., M.H.A.
Medical Center Chief II
Dr. Jose Fabella Memorial Hospital


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MERCLIA D. FORTIER
Accountant III
Dr. Jose Fabella Memorial Hospital


RUFFIN C. FLORES, MD, M.H.A.
Medical Center Chief II
Dr. Jose Fabella Memorial Hospital

tank, pump on loan, at the **HOSPITAL** premises on the following justifiable reasons: a) for repair and maintenance; b) expiration of contract; and c) any violation of the terms and conditions of this contract;

17. That **INGASCO** shall not be liable for losses and claims (including those of other parties) for death, personal injury or other property damage arising from the misuse or improper handling of **INGASCO'S** cryogenic equipment and gas products;

18. That **INGASCO** warrants to render the **HOSPITAL** or any of its employees/ crew/s free from any or all legal suits by the **INGASCO'S** personnel from claims for compensation or injuries suffered from accidents in connection with the performance of their duties and functions in the **HOSPITAL** premises;

19. That the parties herein agree that all the terms and conditions embodied in all **INGASCO** sales invoices, delivery receipts, incoming receipts and all other sales documents shall form an integral part of this agreement;

20. That no employer-employee relationship exists between **INGASCO** and the **HOSPITAL** and/ or the former's staff or employees by reason of this contract;

21. That both parties herein agree that all and any obligations arising from this agreement shall continuously be binding notwithstanding the fact that the herein duly authorized signatories and representatives may have subsequently resigned/retired or that his/her official relationship with the parties may have ended by any other reasons whatsoever. Neither party shall assign this Contract to another entity without the prior written consent of the other party;

22. That **INGASCO** shall submit a performance bond in the form and amount mandated by Republic Act 9184 and its implementing Rules and Regulations to guarantee full and faithful performance of the herein terms and conditions;

23. **INGASCO** hereby certifies under oath that it is free and clear of all tax liabilities to the government pursuant to **EXECUTIVE ORDER No. 398 s. 2005**. That it shall continue to pay taxes in full and on time and that failure to do so will entitle the **HOSPITAL** to suspend payment for any goods or services delivered by the **INGASCO**.

INGASCO is likewise hereby obligated to regularly present within the duration of the contract, a tax clearance from the BIR, as well as a copy of its income and business tax returns duly stamped and received by the BIR and duly validated with the tax payments made thereon.

24. That this contract shall take effect on **July 1, 2015** and shall expire on **December 31, 2015**;

25. That the **HOSPITAL** shall have the right to terminate this contract if **INGASCO** cannot afford or cope with the required supply for the daily consumption of Medical Liquid Oxygen of the **HOSPITAL** and if the services of **INGASCO** are found unsatisfactory by giving the latter a written notice thereof within thirty (30) days prior to its effectivity;



May 11, 2015

NOTICE OF AWARD
NOA – 2015 - II

INGASCO, INC.
23RD Floor, One Corporate Center
Dona Julia Vargas Ave., cor. Meralco Ave.
Ortigas Center, Pasig City

Sir/Madam:

We are happy to inform you that the contract for the **Supply and Delivery of Medical Liquid Oxygen** is hereby awarded to you as a result of public bidding conducted on April 7, 2015.

You are hereby requested to file your Performance Bond within ten (10) calendar days from receipt hereof in an amount equivalent to a percentage of the total contract price based on the schedule below:

Form of Performance Security	Amount of Performance Security (Equal to Percentage of the Total Contract Price)
a.) Cash, cashier's/manager's check, bank draft/guarantee confirmed by a <u>Universal or Commercial Bank</u>	Five percent (5%)
b.) Irrevocable letter of credit issued by a <u>Universal or Commercial Bank</u> : Provided, however, that it shall be confirmed or authenticated by a <u>Universal or Commercial Bank</u> , if issued by a <u>foreign bank</u>	
c.) Surety bond callable upon demand issued by a surety or insurance company duly certified by the <u>Insurance Commission</u> as <u>authorized to issue such security</u>	Thirty percent (30%)
d.) Any combination of the foregoing	Proportionate to share of form with respect to total amount of security

Failure to provide the performance security shall constitute sufficient ground for cancellation of the award and forfeiture of the bid security.

Please acknowledge agreement to the contents of this Notice of Award by signing under the word "Conforme" and return the original to us within two (2) days from receipt hereof.

Very truly yours,

ESMERALDO T. ILEM, MD.
Chairperson, Bids and Awards Committee

APPROVED:

RUBEN C. FLORES, M.D., M.H.A.
Medical Center Chief II

CONFORME:

MICHAEL ROY COSENG
Printed Name and Signature

SALES MANAGER
Position

5/15/15
Date

MTJ/B/tp



Republic of the Philippines
Department of Health
DR. JOSE FABELLA MEMORIAL HOSPITAL
Lope de Vega St., Sta. Cruz, Manila
Telephone Nos. 733-8536 to 46; 734-5561 to 65



NOTICE TO PROCEED

NTP - 2015 - 11

May 18, 2015,

INGASCO, INC.
23RD Floor, One Corporate Center
Dona Julia Vargas Ave., cor. Meralco Ave.
Ortigas Center, Pasig City

Dear Sir/Madam:

Notice is hereby given to **INGASCO, INC.** that **Supply and Delivery** may proceed on the procurement of **MEDICAL LIQUID OXYGEN**, effective upon receipt of Purchase Order.

Upon receipt of this notice, you are responsible for performing the services under the terms and conditions of the Agreement and in accordance with the Implementation Schedule.

Please acknowledge receipt and acceptance of this notice by signing both copies in the space provided below.

Very truly yours,


RUBEN C. FLORES, M.D., M.H.A.
Medical Center Chief II

I acknowledge receipt of this Notice on

MAY 29, 2015

Name of the Representative of the Bidder

MICHAEL ROY F. COSENIG

Authorized Signature
mijy/np



K

RESOLUTION

No. - 2015 - A - 11

WHEREAS, the Dr. Jose Fabella Memorial Hospital(DJFMH) advertised the Invitation to Apply for Eligibility and to Bid for the **Supply and Delivery of Medical Liquid Oxygen** in the newspaper of nationwide circulation, G-EP5 and at a conspicuous place at the premises of the DJFMH continuously for seven(7) days;

WHEREAS, in response to said advertisements, only one company, **INGASCO INC.**, showed interest and attended the opening of bids conducted on April 7, 2015;

WHEREAS, lone bidder was declared **Eligible** and likewise passed preliminary examination of bids;

WHEREAS, result of Technical Working Group/End-users and BAC's evaluation are as follows:

Bidder	TWG EVALUATION	BAC FINDINGS
1. Ingasco, Inc.	Complying	LCRB

WHEREFORE, Upon careful examination, validation and verification of all the eligibility, technical and financial requirements submitted by Ingasco, Inc. its bid was found to be **Responsive**;

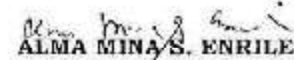
WHEREFORE, we, the Bids and Awards Committee resolved as it is hereby resolved to:

- a. Recommend award for the Supply and Delivery of Medical Liquid Oxygen to the Lone Complying and Responsive Bidder, Ingasco, Inc.;
- b. Recommend approval of this resolution by the Medical Center Chief II.

RESOLVED this 8th day of May, 2015 at the Dr. Jose Fabella Memorial Hospital.

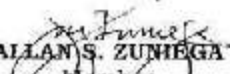
The Bids and Awards Committee:


ESMERALDO T. ILEM, MD
Chairman
(Medical Specialist IV)

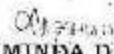

ALMA MINA S. ENRILE
Vice-Chair
(Financial and Management Officer II)


VICENTE PAULO M. PEREZ, M.D.
Member
(Medical Specialist III)

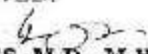

LOURDES C. MENDOZA
Member
(Chief Administrative Officer)


ALLAN S. ZUNIGA
Member
(Attorney II)


MA. CYNTHIA F. TAN, MD
Provisional Member
(Medical Specialist IV)


LUZVIMINDA D. ZUNIGA
Provisional Member
(Midwifery School Principal II)

APPROVED:


RUBEN C. FLORES, M.D., M.H.A.
Medical Center Chief II